

<i>SERFF Tracking Number:</i>	<i>AMGN-125624666</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American General Life and Accident Insurance Company</i>	<i>State Tracking Number:</i>	<i>38901</i>
<i>Company Tracking Number:</i>	<i>AGLA 08ALO</i>		
<i>TOI:</i>	<i>L09I Individual Life - Flexible Premium Adjustable Life</i>	<i>Sub-TOI:</i>	<i>L09I.001 Single Life</i>
<i>Product Name:</i>	<i>AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy</i>		
<i>Project Name/Number:</i>	<i>Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO</i>		

Filing at a Glance

Company: American General Life and Accident Insurance Company

Product Name: AGLA 08ALO Flexible Premium SERFF Tr Num: AMGN-125624666 State: ArkansasLH
Adjustable Life Insurance Policy

TOI: L09I Individual Life - Flexible Premium SERFF Status: Closed State Tr Num: 38901
Adjustable Life

Sub-TOI: L09I.001 Single Life Co Tr Num: AGLA 08ALO State Status: Approved-Closed

Filing Type: Form Co Status: Reviewer(s): Linda Bird

Author: Marilyn Ellis Disposition Date: 05/09/2008

Date Submitted: 05/05/2008 Disposition Status: Approved

Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: Flexible Premium Adjustable Life Insurance Policy

Project Number: AGLA 08ALO

Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: This policy form has been submitted to our domicile State of Tennessee.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 05/09/2008

State Status Changed: 05/09/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

The above form is being submitted for your consideration and approval. It is new and does not replace a form

SERFF Tracking Number: AMGN-125624666 State: Arkansas
Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company
Company Tracking Number: AGLA 08ALO
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life
Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy
Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

previously approved by your department. The Flesch readability score is 53.9.

Policy form AGLA 08ALO will be marketed with an illustration. It will be sold, by all producers who solicit this type of business, to consumers who are purchasing insurance for personal needs.

AGLA 08ALO is an individual nonparticipating flexible premium adjustable life insurance policy (universal life). The death benefit will depend on the option chosen by the Owner. Under option A, the death benefit will be the greater of: (a) the Specified Amount on the date of death; or (b) the Accumulation Value on the date of death multiplied by the applicable Death Benefit Factor shown in the policy. Under Option B, the death benefit will be the greater of: (a) Specified Amount plus the Accumulation value on the date of death; or (b) the Accumulation Value on the date of death multiplied by the applicable Death Benefit Factor shown in the policy.

Premium payments are flexible. Interest will be credited each month to the Accumulation Value. As long as there is sufficient Cash Value in the policy to cover the monthly deductions, the policy will remain in force. The policy contains a Minimum Monthly Premium provision. Such provision states that the policy will remain in force during the Minimum Monthly Premium Period if two conditions are met. These conditions are: (a) the sum of the premium paid to date equals or exceeds the sum of the Minimum Monthly Premium due from the date of issue to the current month, plus any partial surrenders and any increase in the loan since the date of issue; and (b) the Accumulation Value, less any loan balance (including loan interest), is sufficient to cover all deductions on such date.

A Premium Expense Charge will be deducted from each premium payment. The expense charge is calculated by multiplying the premium paid by the current Premium Expense Charge Percentage which will never be greater than the guaranteed percentage shown on the Policy Schedule.

There will be a Monthly Expense Charge associated with the Initial Specified Amount and each increase in Specified Amount. The Monthly Expense Charge for the Initial Specified Amount and any increase in Specified Amount is shown on the Policy Schedule. The Monthly Expense Charge Duration is also shown on the Policy Schedule.

Policy Page 16/17 is based on specific issue, as follows, and a copy of each is attached:

1. Insert Page AGLA 08ALO M, Page 16/17 will be used for male issues

SERFF Tracking Number: AMGN-125624666 State: Arkansas
Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company
Company Tracking Number: AGLA 08ALO
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life
Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy
Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

2. Insert Page AGLA 08ALO F, Page 16/17 will be used for female issues.

Company and Contact

Filing Contact Information

Kathryn Mitchell, Manager kathryn_mitchell@aigag.com
American General Center (615) 749-1139 [Phone]
Nashville, TN 37250-0001 (615) 749-2521[FAX]

Filing Company Information

American General Life and Accident Insurance CoCode: 66672 State of Domicile: Tennessee
Company
American General Center Group Code: 12 Company Type:
Nashville, TN 37250-0001 Group Name: AIG State ID Number:
(615) 749-1139 ext. [Phone] FEIN Number: 62-0306330

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: 1 filing x \$50 = \$50.00
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American General Life and Accident Insurance Company	\$50.00	05/05/2008	20087123

SERFF Tracking Number: AMGN-125624666 State: Arkansas

Filing Company: American General Life and Accident Insurance Company State Tracking Number: 38901

Company Tracking Number: AGLA 08ALO

TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life

Adjustable Life

Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	05/09/2008	05/09/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Linda Bird	05/08/2008	05/08/2008	Marilyn Ellis	05/09/2008	05/09/2008

Industry Response

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Arkansas Certification	Supporting Document	Marilyn Ellis	05/05/2008	05/09/2008

SERFF Tracking Number:	AMGN-125624666	State:	Arkansas
Filing Company:	American General Life and Accident Insurance Company	State Tracking Number:	38901
Company Tracking Number:	AGLA 08ALO		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy		
Project Name/Number:	Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO		

Disposition

Disposition Date: 05/09/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AMGN-125624666 State: Arkansas

Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company

Company Tracking Number: AGLA 08ALO

TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life

Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		Yes
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Supporting Document	Actuarial Memorandum		No
Supporting Document	Statement of Variability		Yes
Supporting Document	Arkansas Certification		Yes
Form	Flexible Premium Adjustable Life Insurance Policy		Yes
Form	Policy Insert Page		Yes
Form	Policy Insert Page		Yes

SERFF Tracking Number: AMGN-125624666 State: Arkansas
Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company
Company Tracking Number: AGLA 08ALO
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life
Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy
Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 05/08/2008
Submitted Date 05/08/2008
Respond By Date
Dear Kathryn Mitchell,

This will acknowledge receipt of the captioned filing.

Objection 1

- Certification/Notice (Supporting Document)

Comment: Filings of "universal life" type contracts are subject to Regulation 34. Please assure us that you are in compliance with Regulation 34. If cost of insurance may be changed by the company subject to a maximum and/or accumulation rates may be changed by the company subject to a minimum, then the contract must comply with Bulletin 11-83.

Please feel free to contact me if you have questions.

Sincerely,
Linda Bird

Response Letter

Response Letter Status Submitted to State
Response Letter Date 05/09/2008
Submitted Date 05/09/2008

Dear Linda Bird,

Comments:

Response 1

Comments: Please note that I amended this filing on 5/05/08 and attached a certification for compliance with Regulation 34. I apologize it was not sent with the original submission.

SERFF Tracking Number:	AMGN-125624666	State:	Arkansas
Filing Company:	American General Life and Accident Insurance Company	State Tracking Number:	38901
Company Tracking Number:	AGLA 08ALO		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy		
Project Name/Number:	Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO		

Related Objection 1

Applies To:

- Certification/Notice (Supporting Document)

Comment:

Filings of "universal life" type contracts are subject to Regulation 34. Please assure us that you are in compliance with Regulation 34. If cost of insurance may be changed by the company subject to a maximum and/or accumulation rates may be changed by the company subject to a minimum, then the contract must comply with Bulletin 11-83.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Marilyn Ellis

SERFF Tracking Number:	AMGN-125624666	State:	Arkansas
Filing Company:	American General Life and Accident Insurance Company	State Tracking Number:	38901
Company Tracking Number:	AGLA 08ALO		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy		
Project Name/Number:	Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO		

Amendment Letter

Amendment Date:
Submitted Date: 05/09/2008

Comments:

Enclosed please find a copy of the certification of compliance with Regulation 34 for AGLA 08ALO. I apologize this was not included with the filing submitted to your department this morning.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Arkansas Certification

Comment:
ARCERT4.pdf

SERFF Tracking Number: AMGN-125624666 State: Arkansas

Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company

Company Tracking Number: AGLA 08ALO

TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life

Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

Form Schedule

Lead Form Number: AGLA 08ALO

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	AGLA 08ALO	Policy/Cont	Flexible Premium ract/Fratern Adjustable Life al Insurance Policy Certificate	Initial		54	AGLA08ALO AR.pdf
	AGLA 08ALO M	Certificate	Policy Insert Page Amendmen t, Insert Page, Endorseme nt or Rider	Initial		62	AGLA08ALO M.pdf
	AGLA 08ALO F	Certificate	Policy Insert Page Amendmen t, Insert Page, Endorseme nt or Rider	Initial		62	AGLA08ALO F.pdf

AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

A Member Company of American International Group, Inc.

American General Center • Nashville, Tennessee 37250-0001

(615) 749-1523

Service for the attached policy will be provided by:

The Arkansas Department of Insurance has requested we provide you with the addresses and telephone numbers, as follow:

Customer Services
American General Life and Accident Insurance Company
American General Center - 305N
Nashville, Tennessee 37250
PH: 1-800-888-2452

State of Arkansas
Department of Insurance
1200 West Third Street
Little Rock, AR 72201-1904
PH: 1-800-852-5494

LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well-managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

**The Arkansas Life and Health Insurance Guaranty Association
c/o The Liquidation Division
1023 West Capitol
Little Rock, Arkansas 72201**

**Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904**

(please turn to back of page)

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals).
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC")(whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

American General Life and Accident Insurance Company

A member company of American International Group, Inc.
American General Center • Nashville, Tennessee 37250-0001



American General Life and Accident Insurance Company

American General Center • Nashville, Tennessee 37250-0001

(A STOCK COMPANY)

1-800-888-2452

This Policy is a legal contract between You, the Owner, and Us, American General Life and Accident Insurance Company. As with any other contract, You should **READ THIS POLICY CAREFULLY**.

We, Us, Our and **the Company** refer to American General Life and Accident Insurance Company. **You** and **Your** refer to the Owner of this Policy.

POLICY DATA

Insured - [John Doe]

Policy Number - [123456789]

Age - [35]

Date of Issue - [April 1, 2008]

Gender - [Male]

Initial Specified Amount - [\$100,000]

Beneficiary - See Application

Death Benefit Option - [A]

TWENTY DAYS TO EXAMINE CONTRACT. If You are not satisfied with this Policy for any reason, You may return the Policy to Us or to Our authorized agent within 20 days after You receive it. If You do so, We will cancel this Policy and refund the premium that was paid.

Signed for American General Life and Accident Insurance Company at Nashville, Tennessee.


SECRETARY


PRESIDENT

FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY
DEATH BENEFIT PROCEEDS PAYABLE AT DEATH OF INSURED BEFORE THE MATURITY DATE
FLEXIBLE PREMIUMS PAYABLE TO THE MATURITY DATE
NONPARTICIPATING

CONTENTS OF POLICY

Policy Data	Page 1	Policy Values	Page 7
Policy Schedule	Page 3	Policy Loans	Page 11
Definitions	Page 4	Settlement Options	Page 12
The Owner And The Beneficiary	Page 4	General Provisions	Page 14
Premium Payments	Page 5	Table Of Guaranteed Monthly Cost Of	
Death Benefit And Death Benefit Options	Page 6	Insurance Rates Per \$1,000 Of Net	
Changing Your Insurance Policy	Page 6	Amount At Risk	Page 16
Any additional benefit riders and a copy of the application, and any supplemental applications, are included after Page 17.			

POLICY PROVISIONS IN ALPHABETICAL ORDER

Accumulation Value On Any Day Other Than A Monthly Deduction Day	Page 7	Incontestability	Page 14
Accumulation Value On Each Monthly Deduction Day	Page 7	Increasing The Specified Amount	Page 6
Accumulation Value On The Date Of Issue	Page 7	Interest Rate	Page 9
Age And Gender Incorrectly Stated	Page 14	Limitations	Page 12
Annual Report	Page 14	Loan Balance	Page 11
Assigning Your Policy	Page 14	Loan Interest	Page 11
Beneficiary	Page 4	Maximum Net Amount At Risk	Page 5
Cash Surrender Value	Page 7	Maximum Premium	Page 5
Cash Value	Page 7	Minimum Monthly Premium	Page 9
Change Of Owner Or Beneficiary	Page 5	Monthly Administration Fee	Page 8
Changes In Rates, Charges And Fees	Page 9	Monthly Deductions	Page 8
Changing The Death Benefit Option	Page 7	Monthly Expense Charge	Page 8
Changing The Terms Of Your Policy	Page 7	No Dividends	Page 14
Common Disaster	Page 4	Owner	Page 4
Contract	Page 14	Paid-Up Whole Life Option	Page 10
Cost Of Insurance For Benefits Provided By Riders	Page 8	Partial Surrender	Page 10
Cost Of Insurance Rate	Page 8	Payment Of Cash Surrender Value Benefit	Page 10
Date Of Issue	Page 14	Periodic Payments	Page 12
Death Benefit Factor	Page 6	Planned Periodic Premiums	Page 5
Death Benefit Proceeds	Page 6	Policy Loan	Page 11
Death Of Payee	Page 12	Premium Expense Charge	Page 5
Decreasing The Specified Amount	Page 6	Proceeds	Page 5
Definitions	Page 4	Reinstatement	Page 15
Election Of Options	Page 12	Repayment Of Loan Balance	Page 11
Full Surrender	Page 10	Rights Reserved By Us	Page 15
Grace Period	Page 9	Settlement Options	Page 12
How We Calculate A Monthly Deduction	Page 8	Statutory Basis Of Policy Values	Page 14
How We Calculate The Cost Of Insurance For The Basic Policy	Page 8	Suicide Exclusion	Page 14
Illustrative Report	Page 15	Surrender Charge	Page 10
		Unscheduled Additional Premiums	Page 5
		When This Policy Terminates	Page 15
		Where To Pay	Page 5

TABLES IN ALPHABETICAL ORDER

Death Benefit Factors, Table Of	Page 6
Guaranteed Monthly Cost Of Insurance Rates Per \$1,000 Of Net Amount At Risk, Table Of	Page 16
Surrender Charges Per \$1,000 Of Initial Specified Amount, Table Of	Page 3A

POLICY SCHEDULE

Schedule of Benefits

BASIC POLICY

Flexible Premium Adjustable Life Insurance

Years Payable

[86]

Monthly Cost
Of Insurance

See Page 16

Schedule of Premiums & Expense Charges

Premium Class - [Standard - No-Tobacco]
Initial Premium - [\$351.96]
Planned Periodic Premium - [\$351.96]
Due Date (for Planned Periodic Premium) - [1st Day of Each April]
Deduction Day - [1st Day of Each Month]

Minimum Monthly Premium - [\$29.33]
Minimum Monthly Premium Period - [19] Years

	Guaranteed	Initial
Premium Expense Charge Percentage -	7.50%	[7.50%]
Monthly Administration Fee -	\$7.70	[\$7.70]

Monthly Expense Charge - [\$4.00]
Monthly Expense Charge Duration - [To Maturity Date]

Increases and Decreases in Specified Amount

Minimum Specified Amount - [\$25,000]
Minimum Increase Amount - \$10,000

POLICY SCHEDULE

(Continued)

Surrenders

Partial Surrender Charge - \$25

Surrender Charge Period - [19] Years

Table of Surrender Charges Per \$1,000 of Initial Specified Amount

Year of Surrender	Surrender Charge Per \$1,000	Year of Surrender	Surrender Charge Per \$1,000
1	[\$24.10]	11	[\$14.40]
2	[23.80]	12	[12.80]
3	[23.50]	13	[11.20]
4	[23.20]	14	[9.60]
5	[22.90]	15	[8.00]
6	[21.50]	16	[6.40]
7	[20.10]	17	[4.80]
8	[18.70]	18	[3.20]
9	[17.40]	19	[1.60]
10	[16.00]	20+	0.00

The above charges apply to each \$1,000 of the Initial Specified Amount surrendered during the Surrender Charge Period. The charge for Surrender of all or any portion of the Initial Specified Amount will be equal to the rate shown above multiplied by the number of thousands of the Initial Specified Amount being surrendered. Additional Surrender Charges related to an increase in Specified Amount will begin from the effective date of the increase. These additional Surrender Charges will be provided in an endorsement to this Policy. In addition, there will be a charge not to exceed the Partial Surrender Charge shown in the Surrenders section above for each Partial Surrender.

POLICY SCHEDULE

(Continued)

Mortality Table

2001 Commissioners Standard Ordinary Male or Female, Smoker or Nonsmoker Mortality Table

Guaranteed Interest Rate

Guaranteed Interest Rate - 0.24663% per month, compounded monthly
(This is equivalent to 3.00% per year, compounded annually.)

Accumulation Value Interest

Interest at the rate declared by Us will be applied to any Accumulation Value in excess of any Loan Balance. Interest at the Guaranteed Interest Rate will be credited to the amount of any outstanding Loan Balance.

Loans

Annual Policy Loan Interest Rate - 8.00%

Maturity Date

[April 1, 2094]

Coverage may expire prior to the Maturity Date if:

- (a) no future premiums are paid following payment of the Initial Premium; or
- (b) subsequent premiums are insufficient; or
- (c) We change the cost of insurance rates, interest rates, the Premium Expense Charge Percentage or the Monthly Administration Fee.

DEFINITIONS

Age means age on the Insured's last birthday as shown in the Policy Data on Page 1.

Attained Age means the Insured's Age plus the number of full years from the Date of Issue.

Home Office means Our main office located at the American General Center in Nashville, Tennessee 37250-0001, or such other location that We may elect.

Net Premium means the premium paid, minus the Premium Expense Charge.

Planned Periodic Premium means the amount and frequency of premium payments You selected.

Policy Anniversary means the date exactly one year subsequent to the Date of Issue of the Policy and the same date in each subsequent year.

Specified Amount means the amount of insurance in effect on a specified date.

Unscheduled Additional Premiums means a deposit of an amount in excess of the Planned Periodic Premiums.

THE OWNER AND THE BENEFICIARY

OWNER

The Insured is the Owner of this Policy unless otherwise stated in the application, or later changed. A minor Insured who is not the Owner will automatically become the Owner on his or her 18th birthday or upon the death of the Owner, whichever occurs earlier. You may have this Policy endorsed so that this change of ownership will occur at a different time. You must request this endorsement before the Insured's 18th birthday.

As Owner, You may exercise all rights in this Policy while the Insured is living. If You are without legal capacity, We will allow Your rights to be exercised by:

- (a) the legally appointed guardian responsible for Your property; or
- (b) a person whom We determine is responsible for Your welfare and support.

To exercise Your rights, You should follow the procedures stated in this Policy. All elections, designations, changes and requests must be made in writing and in a form acceptable to Us.

If You want to request a payment, change a Beneficiary, change an address or request any other action by Us, You should do so on the forms prepared for each purpose. You may get these forms, and advice on any questions You might have, from one of Our authorized agents or directly from Our Home Office.

BENEFICIARY

The Beneficiaries for this Policy are as stated in the application, unless later changed. Each Beneficiary is classified as a First or Second Beneficiary. All surviving Beneficiaries of the same class will share equally in any payments to that class, unless otherwise stated.

We will pay the Death Benefit Proceeds under this Policy to any First Beneficiaries surviving the Insured. If no First Beneficiaries survive the Insured, We will pay any Second Beneficiaries surviving the Insured. If no stated Beneficiary is living when the Insured dies, We will pay:

- (a) the executor or administrator of the Insured's estate; or
- (b) the spouse, child or parent of the Insured whom We determine is entitled to payment.

If any Beneficiary is without legal capacity, We can pay his or her share of the proceeds to any person whom We determine is responsible for his or her welfare and support. Such payment will discharge Our liability for that payment.

COMMON DISASTER

If We cannot determine whether a Beneficiary or the Insured died first in a common disaster, We will assume that the Beneficiary died first. Proceeds will be paid on this basis unless an endorsement to this Policy provides otherwise.

THE OWNER AND THE BENEFICIARY

(Continued)

PROCEEDS

Proceeds means the amount payable on:

- (a) the Maturity Date; or
- (b) exercise of the Full Surrender benefit; or
- (c) the Insured's death.

The proceeds on the Maturity Date will be the Cash Surrender Value. The proceeds on the Insured's death will be the Death Benefit Amount less any outstanding Loan Balance.

All proceeds and Partial Surrender benefits are subject to the provisions of the Settlement Options section and the other provisions of this Policy.

CHANGE OF OWNER OR BENEFICIARY

You may change the Owner or the Beneficiary at any time during the lifetime of the Insured unless the previous designation provides otherwise. We can require that any change be endorsed on Your Policy.

Any change will be effective as of the date the change request was signed, except that it will not apply to any payment We make or any action We take before We record the request in Our Home Office.

PREMIUM PAYMENTS

Premium payments are flexible. This means You may choose the amount and frequency of payments, subject to the limitations below.

The actual amount and frequency of premium payments will affect the Cash Values and the amount and duration of insurance. (See the Policy Values section for a detailed explanation.)

PLANNED PERIODIC PREMIUMS

The amount and frequency of the Planned Periodic Premiums You selected are shown on the Policy Schedule. You may request a change in the amount and frequency. We may limit the amount of any increase. (See Maximum Premium provision.) Payment of the Planned Periodic Premium may not be sufficient to keep Your Policy in force until maturity. You can choose a higher Planned Periodic Premium or an increase in the frequency of payments to keep Your Policy in force. (See Grace Period provision.)

UNSCHEDULED ADDITIONAL PREMIUMS

You may pay Unscheduled Additional Premiums at any time before the Maturity Date shown on the Policy Schedule. We may limit the number and amount of Unscheduled Additional Premiums. (See the Maximum Premium and Maximum Net Amount At Risk provisions.)

MAXIMUM PREMIUM

The sum of the premiums paid under this Policy may not exceed the maximum premium limit as determined

by Us. We will provide details of such limit upon request. Any portion of any premium paid which is determined to be in excess of such limit will be refunded.

MAXIMUM NET AMOUNT AT RISK

We reserve the right to refund any premium that could cause an immediate increase in the Net Amount at Risk. We may automatically process a partial surrender or reduce the Death Benefit Amount, both of which may have federal tax consequences, if the Net Amount at Risk exceeds Our limitations. (We determine the Net Amount at Risk as shown in the provision entitled "How We Calculate The Cost Of Insurance For The Basic Policy.")

WHERE TO PAY

You may make Your payments to Us at Our Home Office or to an authorized agent. A receipt signed by an officer of the Company will be furnished upon request.

PREMIUM EXPENSE CHARGE

The Premium Expense Charge is calculated by multiplying the premium paid by the Premium Expense Charge Percentage. The initial Premium Expense Charge Percentage is shown on the Policy Schedule. The Premium Expense Charge Percentage may be adjusted, but will never be more than the guaranteed Premium Expense Charge Percentage shown on the Policy Schedule.

DEATH BENEFIT AND DEATH BENEFIT OPTIONS

DEATH BENEFIT PROCEEDS

If the Insured dies prior to the Maturity Date and while this Policy is in force, We will pay the Death Benefit Proceeds to the Beneficiary after We receive due proof and proper written claim. The Death Benefit Proceeds will be subject to:

- (a) the Death Benefit Option in effect on the date of death; and
- (b) any increases or decreases made to the Specified Amount. The Initial Specified Amount is shown in the Policy Data on Page 1.

Guidelines for changing the Death Benefit Option or the Specified Amount can be found in the section entitled "Changing Your Insurance Policy."

Any premium received after the date of death will be refunded and will not be included in the Accumulation Value for purposes of calculating the Death Benefit Amount.

The Death Benefit Proceeds will be the Death Benefit Amount, after reversing any premium received after the date of death, less any Loan Balance and will be subject to the other provisions of the Owner and the Beneficiary section.

We will pay any amount which becomes payable under this Policy upon the Insured's death as soon as reasonably possible. We will credit interest at an annual rate of eight percent on such amount after 30 days from the date when proof of death is received in Our Home Office until payment is made.

You and/or any other person claiming benefits under this Policy shall cooperate with Us in Our investigation of a claim under this Policy providing assistance including, but not limited to, the completion and submission to Us of any questionnaire or authorization form needed, in Our opinion, to conduct such investigation.

Death Benefit Option

The Death Benefit Option that You have chosen is shown in the Policy Data on Page 1 as either Option A or Option B.

Option A

If You have chosen Option A, the Death Benefit Amount will be the greater of:

- (a) the Specified Amount on the date of death; or
- (b) the Accumulation Value on the date of death multiplied by the applicable Death Benefit Factor.

Option B

If You have chosen Option B, the Death Benefit Amount will be the greater of:

- (a) the Specified Amount plus the Accumulation Value on the date of death; or
- (b) the Accumulation Value on the date of death multiplied by the applicable Death Benefit Factor.

DEATH BENEFIT FACTOR

The Death Benefit Factor will be based on the Insured's Attained Age on each Policy Anniversary as shown in the following table.

Table Of Death Benefit Factors					
Att'd Age	Factor	Att'd Age	Factor	Att'd Age	Factor
0-40	2.50	54	1.57	68	1.17
41	2.43	55	1.50	69	1.16
42	2.36	56	1.46	70	1.15
43	2.29	57	1.42	71	1.13
44	2.22	58	1.38	72	1.11
45	2.15	59	1.34	73	1.09
46	2.09	60	1.30	74	1.07
47	2.03	61	1.28	75-90	1.05
48	1.97	62	1.26	91	1.04
49	1.91	63	1.24	92	1.03
50	1.85	64	1.22	93	1.02
51	1.78	65	1.20	94	1.01
52	1.71	66	1.19	95-120	1.00
53	1.64	67	1.18		

CHANGING YOUR INSURANCE POLICY

You may request a change in Specified Amount and in Death Benefit Option to become effective any time after the first Policy Anniversary. Your request must be submitted to Our Home Office in writing.

INCREASING THE SPECIFIED AMOUNT

Any increase in the Specified Amount cannot be less than the Minimum Increase Amount shown on the Policy Schedule. We will require a supplemental application and, except as provided in any Additional Insurance Option Rider, evidence of insurability satisfactory to Us for any increase in the Specified Amount. An increase

will be effective on the monthly Deduction Day on or next following the date the application for increase is approved by Us.

DECREASING THE SPECIFIED AMOUNT

Any decrease will go into effect on the monthly Deduction Day following the day We receive the request. The Death Benefit Amount remaining in effect after any decrease cannot be less than the greater of:

- (a) the Minimum Specified Amount shown on the Policy Schedule; and
- (b) any Death Benefit Amount required to qualify this Policy as life insurance under applicable tax laws.

CHANGING YOUR INSURANCE POLICY

(Continued)

Any such decrease will be applied in the following order:

- (a) against any Specified Amount provided by an increase, beginning with the most recent; and
- (b) against the Initial Specified Amount.

Any decrease in Specified Amount will be subject to applicable Surrender Charges on a pro rata basis, and any remaining Surrender Charge will be reduced on a pro rata basis.

CHANGING THE DEATH BENEFIT OPTION

You may request a change in the Death Benefit Option You have chosen.

- (a) If You request a change from Option A to Option B: the new Specified Amount will be the Specified Amount, prior to change, less the Accumulation Value as of the effective date of the

change, but not less than zero.

- (b) If You request a change from Option B to Option A: the new Specified Amount will be the Death Benefit Amount as of the effective date of the change. Any such decrease in Specified Amount will be subject to the same guidelines and restrictions as outlined in the Decreasing The Specified Amount provision.

We will not require evidence of insurability for a change in the Death Benefit Option. The change will go into effect on the monthly Deduction Day following the date We receive Your request for change.

CHANGING THE TERMS OF YOUR POLICY

Any change in Your Policy must be approved by one of Our officers. No agent has the authority to make any changes or waive any of the terms of Your Policy.

POLICY VALUES

ACCUMULATION VALUE ON THE DATE OF ISSUE

The Accumulation Value on the Date of Issue will be:

- (a) the Net Premium received; less
- (b) the Monthly Deduction for the first Policy Month. (See the How We Calculate A Monthly Deduction provision.)

The first Deduction Day is the Date of Issue. The monthly Deduction Day is shown on the Policy Schedule.

ACCUMULATION VALUE ON EACH MONTHLY DEDUCTION DAY

On each monthly Deduction Day after the Date of Issue, We will determine the Accumulation Value as follows:

- (a) We will take the Accumulation Value as of the last monthly Deduction Day; and
- (b) add all Net Premiums received since the last monthly Deduction Day; and
- (c) add the interest earned for the month; interest will be applied for the entire month on the excess of the Accumulation Value on the last monthly Deduction Day over any Partial Surrenders made since the last monthly Deduction Day; and
- (d) subtract any Partial Surrender made and any charges for Partial Surrenders since the last

monthly Deduction Day; and

- (e) subtract any Surrender Charge assessed as a result of a decrease in Specified Amount effective on the monthly Deduction Day; and
- (f) subtract the Monthly Deduction for the Policy Month following the monthly Deduction Day. (See the How We Calculate A Monthly Deduction provision.)

ACCUMULATION VALUE ON ANY DAY OTHER THAN A MONTHLY DEDUCTION DAY

The Accumulation Value on any day other than a monthly Deduction Day will be:

- (a) the Accumulation Value as of the last monthly Deduction Day;
- (b) plus all Net Premiums received since the last monthly Deduction Day;
- (c) less any Partial Surrenders paid and any charges for Partial Surrenders since the last monthly Deduction Day.

CASH VALUE

The Cash Value of this Policy will be equal to the Accumulation Value less the Surrender Charge, if any.

CASH SURRENDER VALUE

The Cash Surrender Value of this Policy will be equal to the Cash Value less any Loan Balance.

POLICY VALUES

(Continued)

MONTHLY DEDUCTIONS

Unless this Policy is being continued in force under the Minimum Monthly Premium provision, a Monthly Deduction from the Accumulation Value may be made only if the Cash Surrender Value is equal to or greater than the Monthly Deduction. Each Monthly Deduction deducted from the Accumulation Value will cause an equal reduction in the Cash Surrender Value. If the Cash Surrender Value on a monthly Deduction Day is not sufficient to meet the Monthly Deduction for the current month, this Policy will be subject to the Grace Period and Minimum Monthly Premium provisions.

HOW WE CALCULATE A MONTHLY DEDUCTION

Each Monthly Deduction includes:

- (a) the cost of insurance provided by the basic Policy for the Initial Specified Amount and any subsequent increases; and
- (b) the cost of insurance for benefits provided by riders;
- (c) the Monthly Administration Fee; and
- (d) the Monthly Expense Charge during the Monthly Expense Charge Duration.

HOW WE CALCULATE THE COST OF INSURANCE FOR THE BASIC POLICY

We calculate the cost of insurance at the beginning of each Policy Month on the monthly Deduction Day. First, the Accumulation Value is calculated on the monthly Deduction Day, but before subtracting the Monthly Deduction for the Policy Month following the monthly Deduction Day. The cost of insurance is determined, first for the Initial Specified Amount and then for each subsequent increase in Specified Amount, as follows:

- (a) Divide the Death Benefit Amount on the Deduction Day by 1.00 plus the Guaranteed Interest Rate shown on the Policy Schedule; and
- (b) reduce the result in (a) by the amount of the Accumulation Value allocated to the Initial Specified Amount or subsequent increase in Specified Amount, as the case may be; and
- (c) multiply the result after step (b) by the cost of insurance rate per \$1,000 of Net Amount at Risk, as provided in the Cost of Insurance Rate provision; and
- (d) divide the result after step (c) by 1,000.

If there have been increases in Specified Amount, steps (a) through (d) above will be applied first to the Initial

Specified Amount and then to the increases in Specified Amount, in order by effective date of the increase. The Accumulation Value is allocated first to the Initial Specified Amount until that amount is exhausted, then to the first increase in Specified Amount until that amount is exhausted, and so on until the entire Accumulation Value has been allocated.

COST OF INSURANCE FOR BENEFITS PROVIDED BY RIDERS

The cost of insurance for benefits provided by riders will be as stated on the Policy Schedule.

MONTHLY ADMINISTRATION FEE

An administration fee will be deducted monthly. The initial Monthly Administration Fee is shown on the Policy Schedule. The amount of the monthly fee may be adjusted, but will never be greater than the guaranteed Monthly Administration Fee shown on the Policy Schedule.

MONTHLY EXPENSE CHARGE

A Monthly Expense Charge will be deducted monthly. Such charge applies to the Initial Specified Amount and to any increase in Specified Amount. The Monthly Expense Charge for the Initial Specified Amount is shown on the Policy Schedule. The Monthly Expense Charge Duration for the Initial Specified Amount and any increase in Specified Amount is also shown on the Policy Schedule. The Monthly Expense Charge for any increase in the Specified Amount will be provided in an endorsement to this Policy. Any decrease in Specified Amount will not change the Monthly Expense Charge then in effect.

COST OF INSURANCE RATE

The cost of insurance rate for the Initial Specified Amount and for each Specified Amount increase, is based on the Insured's:

- (a) Gender; and
- (b) Age last birthday on the Date of Issue and on the effective date of each increase in Specified Amount; and
- (c) Age last birthday on each Policy Anniversary and on each anniversary date of each increase in Specified Amount; and
- (d) premium class shown on the Policy Schedule, associated with the Initial Specified Amount and each increase in the Specified Amount; and
- (e) total Specified Amount in force.

POLICY VALUES

(Continued)

A table of guaranteed monthly cost of insurance rates is included in this Policy. We can use cost of insurance rates that are lower than the guaranteed rates. Any change in rates will apply to all similar policies in the same rate class as this Policy. The rate class of this Policy is determined on its Date of Issue according to:

- (a) the calendar year of issue and Policy Anniversary; and
- (b) the plan of insurance; and
- (c) the amount of insurance; and
- (d) the Age, Gender and premium class of the Insured.

CHANGES IN RATES, CHARGES AND FEES

Any redetermination of the cost of insurance rates, interest rates, Premium Expense Charge or Monthly Administration Fee will be based on Our future expectations as to investment earnings, mortality, persistency, expenses, reinsurance costs, and state and federal taxes or other factors. We will not change these rates or charges in order to recoup any prior losses.

INTEREST RATE

The Guaranteed Interest Rate used in calculating Accumulation Values is shown on the Policy Schedule. We can use interest rates greater than the guaranteed rates to calculate Accumulation Values. We can apply different rates of interest to that portion of the Accumulation Value which equals the amount of Loan Balance, but they cannot be less than the Guaranteed Interest Rate.

GRACE PERIOD

The Grace Period is the 61-day period that follows a monthly Deduction Day or an Annual Policy Loan Interest due date if:

- (a) there is not enough Cash Surrender Value to pay the Monthly Deduction and any loan interest due; and
- (b) the requirements of the Minimum Monthly Premium provision have not been met.

There is no Grace Period for the initial Monthly Deduction.

If the amount required to keep Your Policy in force is not paid by the end of the Grace Period, this Policy will terminate without value. We will give You at least 31 days notice prior to termination that Your Policy is in the Grace Period and advise You of the amount of premium required to keep Your Policy in force. This 31-day prior notice will be sent to You at Your last address of record as shown in Our Home Office records, if any. If death occurs during the Grace Period, the amount due through the Policy Month in which death occurred will be deducted from the proceeds.

If a surrender request is received within 31 days after the Grace Period commences, the Cash Surrender Value payable will not be less than the Cash Surrender Value on the monthly Deduction Day on which the Grace Period commenced. The monthly deduction for the policy month following such monthly Deduction Day will not be subtracted in the calculation of such Cash Surrender Value.

MINIMUM MONTHLY PREMIUM

The Minimum Monthly Premium for the Initial Specified Amount and any benefit riders in force on the Date of Issue is shown on the Policy Schedule. The Minimum Monthly Premium Period on the Date of Issue is also shown on the Policy Schedule. This Policy will not enter the Grace Period on a monthly Deduction Day during the Minimum Monthly Premium Period if, on such monthly Deduction Day the following conditions are met:

- (a) The Accumulation Value less any Loan Balance is greater than or equal to the sum of the Monthly Deduction and any loan interest due; and
- (b) the sum of premiums paid to date equals or exceeds:
 - (1) the sum of the Minimum Monthly Premiums from the Date of Issue, including the current month; plus
 - (2) any Partial Surrenders and Surrender Charge thereon, and any increase in the loan amount since the Date of Issue.

POLICY VALUES

(Continued)

During the Minimum Monthly Premium Period, the Minimum Monthly Premium will be recalculated if:

- (a) the Specified Amount is increased or decreased; or
- (b) a benefit rider is increased, decreased, added or removed; or
- (c) a change in Death Benefit Option occurs.

These changes will not affect the Minimum Monthly Premium Period then in effect, if any.

If a Policy is reinstated with no change to the Specified Amount, Death Benefit Option, Premium Class or benefit riders, if any, the Minimum Monthly Premium will be the same as it was when the Policy lapsed. Reinstatement will not extend or otherwise change the Minimum Monthly Premium Period that was in effect when the Policy lapsed.

FULL SURRENDER

Subject to the Owner and the Beneficiary section, You may return Your Policy to Us and request its Cash Surrender Value at any time during the Insured's lifetime before the Maturity Date and while this Policy is in force. The Cash Surrender Value will be calculated as of the day We receive Your request.

PARTIAL SURRENDER

At any time, You may request withdrawal of a portion of the Cash Surrender Value of the Policy. The remaining Cash Surrender Value must be at least \$250. Your request must be made in writing prior to the Maturity Date during the Insured's lifetime.

A Partial Surrender will result in a reduction of the Cash Value, Accumulation Value and the Death Benefit Amount. The Cash Value and Accumulation Value will be reduced by the amount of the Partial Surrender. If Your Death Benefit Option is Option A, the Specified Amount will be reduced by the amount of the Partial Surrender. If Your Death Benefit Option is Option B, the Specified Amount will not be reduced by the amount of the Partial Surrender. The Specified Amount remaining after this reduction must not be less than the Minimum Specified Amount shown on the Policy Schedule.

There will be a charge not to exceed the Partial Surrender Charge shown on the Policy Schedule for each Partial Surrender in addition to any applicable Surrender Charges. Any Partial Surrender that causes a reduction in the Specified Amount will be treated like a decrease in the Specified Amount.

SURRENDER CHARGE

The Surrender Charge applicable to the Initial Specified Amount is described in the Table of Surrender Charges per \$1,000 of Initial Specified Amount shown in the Policy Schedule. Such Surrender Charge will apply if the Initial Specified Amount is surrendered or reduced during the Surrender Charge Period. Additional Surrender Charges related to an increase in Specified Amount will begin from the effective date of the increase. These additional Surrender Charges will be provided in an endorsement to this Policy.

PAYMENT OF CASH SURRENDER VALUE BENEFIT

We can defer payment of Cash Surrender Values for up to six months, or the period allowed by law, whichever is less. However, We cannot delay payment of a partial surrender if the amount is to be used to pay a premium to Us.

PAID-UP WHOLE LIFE OPTION

At any time while the Insured is living, You may use all or part of this Policy's Cash Surrender Value to purchase paid-up whole life insurance. The effective date of this option shall be the monthly Deduction Day on or next following the date We receive Your written request. The maximum amount of paid-up whole life insurance that may be purchased is equal to:

- (a) the Death Benefit Amount of this Policy on the effective date of the change; less
- (b) the Cash Surrender Value of this Policy on the effective date of the change; plus
- (c) the amount applied as the single premium for this option.

The minimum amount of paid-up whole life insurance that may be purchased is \$1,000.

The amount applied as the single premium cannot be greater than the Cash Surrender Value on the effective date of the change. Any Cash Surrender Value in excess of the amount applied as the single premium shall be paid in a lump sum to You. The paid-up whole life option shall not include any additional benefits provided by riders attached to this Policy.

The single premium for the new Policy will be based on Our single premium rates then in effect. However, the single premium rates for the standard premium class will not be greater than the single premium rates calculated based on the Guaranteed Interest Rate and the Mortality Table shown in the Policy Schedule.

POLICY LOANS

POLICY LOAN

At any time while this Policy is in force, You may obtain a Policy Loan on this Policy if it has a Cash Value. This Policy is the only security for the Policy Loan and must be assigned to Us. The amount of the Policy Loan cannot be more than the Cash Value less the following amounts:

- (a) any existing Loan Balance; and
- (b) any loan interest to the next Policy Anniversary or next premium due date, whichever is earlier.

We can defer a Policy Loan for up to six months from the date We receive Your request.

LOAN INTEREST

Interest on a Policy Loan accrues daily at the Annual Policy Loan Interest Rate shown on the Policy Schedule.

Interest is due on each Policy Anniversary and when a Policy Loan is repaid. If the interest is not paid when due, it will be added to the Policy Loan and accrue interest at the same rate.

LOAN BALANCE

Loan Balance means the sum of any unpaid Policy Loans and accrued loan interest. We will deduct any Loan Balance from any amount payable under this Policy.

REPAYMENT OF LOAN BALANCE

You may repay any part of the Loan Balance at any time while this Policy is in force. A Loan Balance that exists at the end of a Grace Period may not be repaid. (See the Reinstatement provision.) Failure to repay the Loan Balance will not terminate this Policy unless the Loan Balance exceeds the Cash Value.

SETTLEMENT OPTIONS

Any amount payable under this Policy may be applied under one or more of the following Settlement Options. The payee under any Settlement Option will be the person who would have received the amount applied if the Settlement Option had not been elected.

We guarantee interest under these Settlement Options at the rate of two percent per year. The Settlement Option values are based on the Annuity 2000 Basic Tables, with Age at last birthday, projected with Scale G (50% male, 100% female) for a maximum of 20 years.

The amount of guaranteed income per \$1,000 applied to purchase the Settlement Option will be furnished upon request.

OPTION ONE - PAYMENTS OF INTEREST ONLY

Periodic payments will be made of the interest credited on the amount applied.

OPTION TWO - PAYMENTS OF A CHOSEN AMOUNT

Periodic payments for the amount chosen will be made until the amount applied, together with interest credited, is paid.

OPTION THREE - PAYMENTS FOR A CHOSEN PERIOD

Periodic payments will be made so that the amount applied, together with interest credited, will be paid over the period chosen. The period must be at least five years and not more than 30 years.

OPTION FOUR - PAYMENT FOR LIFE WITH A GUARANTEED PERIOD

The amount applied will be used to provide a life annuity with a guaranteed payment period. The guaranteed payment period must be 10 or 20 years. The payee must submit proof of Age satisfactory to Us.

OPTION FIVE - OTHER PLANS OF PAYMENTS FOR LIFE

The amount applied will be used to provide a life annuity of any kind We issue on the date this option is elected. The payee must submit proof of Age satisfactory to Us.

PERIODIC PAYMENTS

Monthly, quarterly, semiannual or annual periodic payments may be selected. However, each periodic payment must be at least equal to the minimum required under Our current rules at the time payments are made.

ELECTION OF OPTIONS

Settlement Options may be elected or changed:

- (a) by You, while the Insured is living; or
- (b) by the Beneficiary when the Insured dies and before any payments have been made.

Settlement Options Four and Five cannot be changed after the first payment is made.

You may request that the Policy be endorsed to prevent the Beneficiary from changing a Settlement Option You have elected. You must request this endorsement while the Insured is living.

We can require that any election, or later change of election, be endorsed on the Policy. Any election will be effective as of the date the election was signed, except that it will not apply to any payment We may make or any action We take before We record the election in Our Home Office.

LIMITATIONS

We have the right to pay any amount payable under this Policy in a lump sum, rather than under a Settlement Option, if the payee is:

- (a) an assignee; or
- (b) a fiduciary; or
- (c) not a natural person (such as a corporation).

All Settlement Options will be subject to Our rules at the time payments under the Option begin. These include withdrawal rights, designation of payees and evidence of Age and survival.

Settlement Options cannot be assigned. To the extent permitted by law, they will be exempt from the claims of creditors.

DEATH OF PAYEE

If the payee dies and We have not agreed to other arrangements, We will pay to the payee's estate:

- (a) any unpaid amount applied and accrued interest under Option One; and
- (b) the discounted value of any remaining payments under Option Two and Three; and
- (c) the discounted value of any remaining guaranteed payments under Options Four and Five.

The discounted values for Options Two, Three, Four or Five will be calculated using the interest rate that was used to determine the amount of the annuity payments selected.

(THIS PAGE LEFT BLANK INTENTIONALLY)

GENERAL PROVISIONS

CONTRACT

The consideration for this contract is the application and payment of the first premium. In return, We promise to provide the insurance coverage described in this Policy.

The entire contract consists of:

- (a) the basic policy; and
- (b) the riders that add benefits to the basic policy, if any; and
- (c) endorsements, if any; and
- (d) the attached copy of Your application, and any amendments or supplemental applications.

DATE OF ISSUE

The Date of Issue of this Policy is shown in the Policy Data on Page 1. It is the date from which all premium Due Dates, Policy Years, Policy Anniversaries and Monthly Deduction dates are determined.

ASSIGNING YOUR POLICY

During the lifetime of the Insured, You may assign this Policy as security for an obligation. We will not be bound by an assignment unless it is received in writing at Our Home Office. We will not be responsible for the validity of any assignment.

INCONTESTABILITY

We rely on the statements made in the application for the Policy, any amendments of the application, supplemental applications and applications for any reinstatements or increases in Specified Amount. These statements, in the absence of fraud, are considered representations and not warranties. No statement may be used in defense of a claim under the Policy unless it is in such applications.

Except for non-payment of premiums, or as stated below, We cannot contest this Policy after it has been in force during the Insured's lifetime for two years from the Date of Issue.

Exceptions: We cannot contest any claim related to an increase in Specified Amount after such increase has been in effect during the Insured's lifetime for two years.

If this Policy is reinstated, We cannot contest this Policy after it has been in force during the Insured's lifetime for two years from the date of reinstatement.

We can contest a reinstatement or an increase in Specified Amount for the two year period following the date of an increase or reinstatement only on the basis of the information furnished in the application for such reinstatement or increase.

This two-year limitation does not apply to any disability or accidental death benefit, or to the nonpayment of premium.

SUICIDE EXCLUSION

If the Insured takes his or her own life, while sane or insane, within two years from the Date of Issue, We will limit the Death Benefit Proceeds to the premiums paid less any Policy Loans and less any partial Cash Surrenders paid.

If there are any increases in the Specified Amount (see the section entitled "Changing Your Insurance Policy") a new two-year period shall apply to each increase beginning on the date of each increase. The Death Benefit Proceeds will be the costs of insurance associated with each increase.

AGE AND GENDER INCORRECTLY STATED

The Insured's Age and Gender on the Date of Issue are shown in the Policy Data on Page 1. If the Age or Gender of the Insured is incorrectly stated, We will adjust the Death Benefit Amount. The adjusted Death Benefit Amount will be the amount that would have been purchased by the most recent Monthly Deduction at the Insured's correct Attained Age and Gender.

STATUTORY BASIS OF POLICY VALUES

Cash Values, Guaranteed Costs of Insurance Rates and net single premiums are based on the Mortality Table Shown in the Policy Schedule for the appropriate Gender and Age last birthday. Continuous functions are used with interest at the Guaranteed Interest Rate shown on the Policy Schedule.

The Cash Values are equal to or more than those required by law. A detailed statement of the method of computing values and benefits has been filed with the insurance supervisory official of the state in which this Policy is delivered.

NO DIVIDENDS

This Policy will not pay dividends. It will not participate in any of Our surplus or earnings.

ANNUAL REPORT

We will send You at least once a year, without charge, an annual report which shows the following:

- (a) premiums paid; and
- (b) expense charges deducted; and
- (c) interest credited to Your Accumulation Value; and
- (d) the cost of insurance deducted; and
- (e) Partial Surrender benefits paid to You; and
- (f) the amount of any outstanding Policy Loan; and
- (g) the current Cash Surrender and Accumulation Values.

GENERAL PROVISIONS

(Continued)

ILLUSTRATIVE REPORT

At any time while this Policy is in force, the Owner may request from Us an illustration of contract values. The values will be based on both guaranteed and then-current assumptions. A reasonable fee, not to exceed \$50, may be charged for additional reports requested in a Policy Year.

WHEN THIS POLICY TERMINATES

This Policy will terminate if:

- (a) You request that this Policy be terminated; or
- (b) the Insured dies; or
- (c) the Policy matures; or
- (d) the Grace Period ends without receipt of the required payment to keep this Policy in force.

REINSTATEMENT

We will reinstate this Policy at any time within five years after the end of the Grace Period and before the Maturity Date. To reinstate this Policy, You must:

- (a) present evidence of insurability for the Insured satisfactory to Us; and
- (b) pay any unpaid Minimum Monthly Premium due from the Date of Issue through the date the Policy lapsed; and
- (c) pay enough premium to keep the Policy in force for two months without entering the Grace Period; and
- (d) repay or reinstate any Loan Balance outstanding at the time of termination, including any loan interest.

The reinstated Policy will be in force from the monthly

Deduction Day on or next following the date We approve the reinstatement application. The schedules of Surrender Charges in effect on the date the Policy lapsed will apply to the reinstated Policy.

The Accumulation Value at the time of reinstatement will be:

- (a) the Accumulation Value at the lapse date; plus
- (b) the premiums paid at the time of reinstatement, less any applicable Premium Expenses Charges; less
- (c) an amount which is calculated as the difference in (1) and (2), where:
 - (1) is the Surrender Charge on the lapse date; and
 - (2) is the Surrender Charge on the reinstatement date.

If a person other than the Insured is covered by an attached rider, coverage will be reinstated according to the rider.

RIGHTS RESERVED BY US

Upon notice to You, this Policy, or a request by You to change this Policy, may be modified by Us, but only if such modification is necessary to make any changes as required by the Internal Revenue Code or by any other applicable law, regulation or interpretation in order to continue treatment of this Policy as life insurance under Section 7702 of the Internal Revenue Code.

When required by law, We will obtain Your approval of changes and We will gain approval from any appropriate regulatory authority.

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE		ATTAINED AGE	TOBACCO	NO TOBACCO	ATTAINED AGE	TOBACCO	NO TOBACCO
0	\$0.06		40	\$ 0.24	\$ 0.12	80	\$ 8.29	\$ 6.22
1	0.03		41	0.26	0.13	81	9.13	6.95
2	0.02		42	0.29	0.15	82	10.00	7.74
3	0.02		43	0.32	0.16	83	10.94	8.61
4	0.01		44	0.36	0.18	84	12.02	9.59
5	0.01		45	0.39	0.20	85	13.26	10.69
6	0.01		46	0.43	0.22	86	14.63	11.92
7	0.01		47	0.46	0.23	87	16.11	13.27
8	0.01		48	0.49	0.25	88	17.68	14.74
9	0.01		49	0.52	0.26	89	19.33	16.30
10	0.02		50	0.56	0.28	90	20.96	17.89
11	0.02		51	0.61	0.31	91	22.54	19.49
12	0.02		52	0.67	0.34	92	24.20	21.20
13	0.03		53	0.74	0.38	93	25.96	23.05
14	0.04		54	0.83	0.43	94	27.87	25.04
15	0.05		55	0.93	0.48	95	29.84	27.06
16	0.06		56	1.03	0.54	96	31.77	29.09
17	0.07		57	1.12	0.59	97	33.84	31.31
18	0.07		58	1.21	0.64	98	36.10	33.74
19	0.08		59	1.31	0.71	99	38.54	36.43
20	0.10	\$0.07	60	1.43	0.78	100	40.90	39.08
21	0.11	0.07	61	1.59	0.88	101	42.98	41.51
22	0.11	0.07	62	1.77	0.99	102	45.22	44.17
23	0.12	0.08	63	1.96	1.11	103	47.64	47.11
24	0.13	0.08	64	2.15	1.23	104	50.49	50.33
25	0.13	0.08	65	2.34	1.36	105	54.03	53.86
26	0.14	0.08	66	2.52	1.49	106	57.96	57.80
27	0.15	0.08	67	2.70	1.63	107	62.35	62.19
28	0.15	0.08	68	2.89	1.77	108	67.27	67.12
29	0.15	0.08	69	3.10	1.94	109	72.85	72.70
30	0.15	0.08	70	3.34	2.13	110	79.19	79.04
31	0.15	0.08	71	3.64	2.36	111	83.33	83.33
32	0.15	0.08	72	3.98	2.64	112	83.33	83.33
33	0.15	0.08	73	4.33	2.93	113	83.33	83.33
34	0.16	0.08	74	4.71	3.24	114	83.33	83.33
35	0.17	0.09	75	5.14	3.58	115	83.33	83.33
36	0.18	0.09	76	5.61	3.97	116	83.33	83.33
37	0.19	0.10	77	6.16	4.42	117	83.33	83.33
38	0.20	0.11	78	6.80	4.95	118	83.33	83.33
39	0.22	0.11	79	7.51	5.55	119	83.33	83.33
						120	83.33	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

(THIS PAGE LEFT BLANK INTENTIONALLY)

American General Life and Accident Insurance Company

American General Center • Nashville, Tennessee 37250-0001

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	TOBACCO	NO TOBACCO	ATTAINED AGE	TOBACCO	NO TOBACCO	
0	\$0.06	40	\$ 0.24	\$ 0.12	80	\$ 8.29	\$ 6.22	
1	0.03	41	0.26	0.13	81	9.13	6.95	
2	0.02	42	0.29	0.15	82	10.00	7.74	
3	0.02	43	0.32	0.16	83	10.94	8.61	
4	0.01	44	0.36	0.18	84	12.02	9.59	
5	0.01	45	0.39	0.20	85	13.26	10.69	
6	0.01	46	0.43	0.22	86	14.63	11.92	
7	0.01	47	0.46	0.23	87	16.11	13.27	
8	0.01	48	0.49	0.25	88	17.68	14.74	
9	0.01	49	0.52	0.26	89	19.33	16.30	
10	0.02	50	0.56	0.28	90	20.96	17.89	
11	0.02	51	0.61	0.31	91	22.54	19.49	
12	0.02	52	0.67	0.34	92	24.20	21.20	
13	0.03	53	0.74	0.38	93	25.96	23.05	
14	0.04	54	0.83	0.43	94	27.87	25.04	
15	0.05	55	0.93	0.48	95	29.84	27.06	
16	0.06	56	1.03	0.54	96	31.77	29.09	
17	0.07	57	1.12	0.59	97	33.84	31.31	
18	0.07	58	1.21	0.64	98	36.10	33.74	
19	0.08	59	1.31	0.71	99	38.54	36.43	
ATTAINED AGE	TOBACCO	NO TOBACCO						
20	0.10	\$0.07	60	1.43	0.78	100	40.90	39.08
21	0.11	0.07	61	1.59	0.88	101	42.98	41.51
22	0.11	0.07	62	1.77	0.99	102	45.22	44.17
23	0.12	0.08	63	1.96	1.11	103	47.64	47.11
24	0.13	0.08	64	2.15	1.23	104	50.49	50.33
25	0.13	0.08	65	2.34	1.36	105	54.03	53.86
26	0.14	0.08	66	2.52	1.49	106	57.96	57.80
27	0.15	0.08	67	2.70	1.63	107	62.35	62.19
28	0.15	0.08	68	2.89	1.77	108	67.27	67.12
29	0.15	0.08	69	3.10	1.94	109	72.85	72.70
30	0.15	0.08	70	3.34	2.13	110	79.19	79.04
31	0.15	0.08	71	3.64	2.36	111	83.33	83.33
32	0.15	0.08	72	3.98	2.64	112	83.33	83.33
33	0.15	0.08	73	4.33	2.93	113	83.33	83.33
34	0.16	0.08	74	4.71	3.24	114	83.33	83.33
35	0.17	0.09	75	5.14	3.58	115	83.33	83.33
36	0.18	0.09	76	5.61	3.97	116	83.33	83.33
37	0.19	0.10	77	6.16	4.42	117	83.33	83.33
38	0.20	0.11	78	6.80	4.95	118	83.33	83.33
39	0.22	0.11	79	7.51	5.55	119	83.33	83.33
						120	83.33	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

(THIS PAGE LEFT BLANK INTENTIONALLY)

**TABLE OF GUARANTEED MONTHLY COST OF INSURANCE RATES
PER \$1,000 OF NET AMOUNT AT RISK**

ATTAINED AGE	AGGREGATE	ATTAINED AGE	NO TOBACCO	NO TOBACCO	ATTAINED AGE	NO TOBACCO	NO TOBACCO
0	\$0.03	40	\$ 0.18	\$ 0.10	80	\$ 6.10	\$ 3.83
1	0.02	41	0.19	0.10	81	6.76	4.32
2	0.01	42	0.21	0.11	82	7.46	4.83
3	0.01	43	0.22	0.12	83	8.17	5.37
4	0.01	44	0.24	0.13	84	8.92	5.98
5	0.01	45	0.27	0.14	85	9.62	6.60
6	0.01	46	0.30	0.16	86	10.44	7.34
7	0.01	47	0.33	0.18	87	11.46	8.27
8	0.01	48	0.37	0.20	88	12.50	9.26
9	0.01	49	0.42	0.22	89	13.47	10.26
10	0.01	50	0.47	0.24	90	14.02	11.00
11	0.02	51	0.53	0.27	91	14.48	11.71
12	0.02	52	0.59	0.30	92	15.47	12.92
13	0.02	53	0.65	0.33	93	16.90	14.57
14	0.02	54	0.72	0.37	94	18.94	16.69
15	0.03	55	0.79	0.41	95	21.42	19.06
16	0.03	56	0.87	0.45	96	23.86	21.47
17	0.03	57	0.95	0.49	97	25.34	23.07
18	0.03	58	1.03	0.54	98	25.94	23.95
19	0.03	59	1.12	0.59	99	27.58	25.82
ATTAINED AGE	NO TOBACCO	NO TOBACCO	ATTAINED AGE	NO TOBACCO	ATTAINED AGE	NO TOBACCO	NO TOBACCO
20	0.04	\$0.03	60	1.21	100	29.86	28.31
21	0.05	0.03	61	1.31	101	32.39	31.12
22	0.05	0.04	62	1.42	102	35.24	34.32
23	0.05	0.04	63	1.53	103	38.43	37.98
24	0.06	0.04	64	1.65	104	42.28	42.17
25	0.06	0.04	65	1.77	105	46.95	46.84
26	0.07	0.04	66	1.91	106	52.04	51.93
27	0.07	0.04	67	2.07	107	57.56	57.45
28	0.07	0.05	68	2.23	108	63.58	63.47
29	0.08	0.05	69	2.42	109	70.31	70.20
30	0.08	0.05	70	2.63	110	77.66	77.55
31	0.09	0.05	71	2.87	111	83.33	83.33
32	0.10	0.06	72	3.13	112	83.33	83.33
33	0.11	0.06	73	3.41	113	83.33	83.33
34	0.12	0.07	74	3.71	114	83.33	83.33
35	0.13	0.07	75	4.02	115	83.33	83.33
36	0.14	0.08	76	4.36	116	83.33	83.33
37	0.15	0.08	77	4.73	117	83.33	83.33
38	0.16	0.09	78	5.13	118	83.33	83.33
39	0.17	0.09	79	5.56	119	83.33	83.33
					120	83.33	83.33

The rates shown above represent the guaranteed (maximum) monthly cost of insurance for each \$1,000 of net amount at risk. If this policy has been issued in a rated premium class, the guaranteed monthly cost will be calculated as shown on the Policy Schedule.

(THIS PAGE LEFT BLANK INTENTIONALLY)

SERFF Tracking Number:	AMGN-125624666	State:	Arkansas
Filing Company:	American General Life and Accident Insurance Company	State Tracking Number:	38901
Company Tracking Number:	AGLA 08ALO		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy		
Project Name/Number:	Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: AMGN-125624666 State: Arkansas
Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company
Company Tracking Number: AGLA 08ALO
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life
Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy
Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

Supporting Document Schedules

Review Status:

Satisfied -Name: Certification/Notice 04/25/2008
Comments:
Attachments:
87-1.pdf
AGLA120Z49 REV0807.pdf
ARCERT2.pdf
ARCERT5.pdf

Review Status:

Satisfied -Name: Application 04/25/2008
Comments:
Attachment:
AGLA1000-1LQ(0205).pdf

Review Status:

Bypassed -Name: Health - Actuarial Justification 04/25/2008
Bypass Reason: Not applicable to this filing.
Comments:

Review Status:

Bypassed -Name: Outline of Coverage 04/25/2008
Bypass Reason: Not applicable to this filing.
Comments:

Review Status:

Satisfied -Name: Actuarial Memorandum 05/05/2008
Comments:
Attachment:
AGLA08ALOActMemo.pdf

SERFF Tracking Number: AMGN-125624666 State: Arkansas
Filing Company: American General Life and Accident Insurance State Tracking Number: 38901
Company
Company Tracking Number: AGLA 08ALO
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life
Adjustable Life
Product Name: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy
Project Name/Number: Flexible Premium Adjustable Life Insurance Policy/AGLA 08ALO

Review Status:

Satisfied -Name: Statement of Variability

05/05/2008

Comments:

Attachment:

08ALOSTmtofVariabilitySTD.pdf

Review Status:

Satisfied -Name: Arkansas Certification

05/05/2008

Comments:

Attachment:

ARCERT4.pdf

AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

A Member Company of American International Group, Inc.

American General Center • Nashville, Tennessee 37250-0001

(615) 749-1523

Service for the attached policy will be provided by:

The Arkansas Department of Insurance has requested we provide you with the addresses and telephone numbers, as follow:

Customer Services
American General Life and Accident Insurance Company
American General Center - 305N
Nashville, Tennessee 37250
PH: 1-800-888-2452

State of Arkansas
Department of Insurance
1200 West Third Street
Little Rock, AR 72201-1904
PH: 1-800-852-5494

LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well-managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

**The Arkansas Life and Health Insurance Guaranty Association
c/o The Liquidation Division
1023 West Capitol
Little Rock, Arkansas 72201**

**Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904**

(please turn to back of page)

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals).
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC")(whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

American General Life and Accident Insurance Company

A member company of American International Group, Inc.
American General Center • Nashville, Tennessee 37250-0001

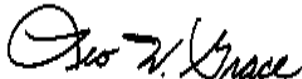


AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ARKANSAS CERTIFICATION

Subject: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

This is to certify that, to the best of my knowledge and belief, the above form complies with the requirements of Ark. Stat. Ann. 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

A handwritten signature in black ink, appearing to read "Leo W. Grace". The signature is written in a cursive, flowing style.

Leo W. Grace
Vice President

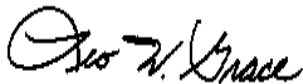
DATE: April 28, 2008

AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ARKANSAS CERTIFICATION

Subject: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

This is to certify that the above form, to the best of my knowledge and belief, meets the provision of Arkansas Rule and Regulation 19 as well as all applicable requirements of the State of Arkansas Department of Insurance.

A handwritten signature in black ink, appearing to read "Leo W. Grace". The signature is fluid and cursive, with the first name "Leo" being the most prominent part.

Leo W. Grace
Vice President

DATE: April 28, 2008

APPLICATION FOR LIFE INSURANCE
American General Life and Accident Insurance Company
American General Center • Nashville, Tennessee 37250-0001

1. a. Primary Proposed Insured Name (Print full name) John Doe
b. Address 123 4th Street Little Rock AR 72203
c. Social Security No. 111-22-3333
d. Marital Status: Single Married Widowed Divorced
e. Height & Weight: 6 ft 0 ins 195 lbs
f. Driver's License No. 87654321 g. State of Issue AR
h. Current Occupation Mechanic i. How long in Current Occupation 10 yrs
j. Current Employer Joe's Garage k. Job Duties
l. Annual Earned Income m. Other Sources of Income
Answer the following questions if Disability Income Rider is being applied for or if premium mode is payroll deduction.
n. Length of Time Employed by Current Employer o. Average No. of Hours Worked per Week in Occupation
p. Is Primary Proposed Insured actively at work and able to perform all regular job duties? Yes No
If "No," please explain why.

2. a. Plan Name Amount UL Death Benefit
Universal Life \$ 15,000 Option A Option B
b. Benefits & Riders
Waiver Rider AD
LTR \$ Amt CTR \$ Amt
SLTR \$ Amt AIR \$ Amt
AIO TIR
DIR 2 - Primary Insured DIR 2 - Additional Insured
Monthly Benefit Monthly Benefit
Occ. Class Occ. Class
DIR 5 - Primary Insured DIR 5 - Additional Insured
Monthly Benefit Monthly Benefit
Occ. Class Occ. Class
Other \$ Amt
Other \$ Amt

3. a. Premium \$ 207.00
b. Payment Mode: A S Q M
Other
Automatic Bank Check
Payroll Deduction
AG Payroll Deduction (AGLA employees only)
Add to existing ABC account, policy no.
Add to existing PD account no.
c. Is Automatic Premium Loan Provision to be in effect? Yes No
Answer the following question if premium mode is payroll deduction.
d. Are premiums to be paid with pre-tax dollars under a Section 125 (cafeteria) plan sponsored by your employer? Yes No

4. Owner Name (If other than Primary Proposed Insured)
Address
Social Security No. Relationship to Primary Proposed Insured

5. Premium Payor Name (If other than Primary Proposed Insured)
Address
Social Security No. Relationship to Primary Proposed Insured

REMARKS

6. First Beneficiary <u>Jane Doe</u>	<u>Wife</u>	<u>33</u>
Name	Relationship	Age
Second Beneficiary _____		
Name	Relationship	Age

7. Additional Proposed Insured (If coverage applied for)

	Birth Date and Place				
	Month	Day	Year	State	Country
a. Name _____					
b. Social Security _____					
c. Relationship _____					
d. Age _____					
e. Height & Weight: _____ ft _____ ins _____ lbs					
f. Driver's License No. _____					
g. State of Issue _____					
If over age 16 and no license, please explain why. _____					
h. Current Occupation _____					
i. How long in Current Occupation _____					
j. Current Employer _____					
k. Job Duties _____					
l. Annual Earned Income _____					
m. Other Sources of Income _____					

Answer the following questions if Disability Income Rider is being applied for or if premium mode is payroll deduction.

n. Length of Time Employed by Current Employer _____

o. Average No. of Hours Worked per Week in Occupation _____

p. Is Additional Proposed Insured actively at work and able to perform all regular job duties? ☐ Yes ☐ No

If "No," please explain why. _____

8. Enter names of children and legally adopted children for whom application for coverage is made who are: (1) members of your immediate family and household; and (2) under the age of 18.

Full Name	Age	Birth Date			Gender	Relationship (If stepchild, consent required)
		Month	Day	Year		
a. _____						
b. _____						
c. _____						
d. _____						

9. **Any child under age one (including Primary Proposed Insured)**
 Birth Weight _____ lbs. _____ oz. Weight Now _____ lbs. _____ oz.

BACKGROUND/HEALTH QUESTIONS

	YES	NO
10. Does any proposed insured have a life insurance policy or annuity contract in force or have any pending application for a life insurance policy or annuity contract with this Company or any other company?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," Insured's Name _____ Co. Name _____		
Type of Coverage _____ Amt. of Coverage _____ Pol. No. _____		
11. Will any existing insurance coverage or annuity contract be replaced or changed if the policy applied for is issued?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," Insured's Name _____ Co. Name _____		
Type of Coverage _____ Amt. of Coverage _____ Pol. No. _____		
12. Has any proposed insured ever had an application for insurance modified, rated, declined, postponed, or withdrawn?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13. Within the past 10 years, has any proposed insured been diagnosed as having or been treated for Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC), or tested positive for the Human Immunodeficiency Virus (HIV)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14. Within the last 10 years, has any proposed insured been diagnosed as having or been treated for any of the following?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," check applicable boxes below.		
<input type="checkbox"/> Alzheimer's disease <input type="checkbox"/> cancer <input type="checkbox"/> cirrhosis of the liver <input type="checkbox"/> hemophilia <input type="checkbox"/> Hodgkin's disease <input type="checkbox"/> kidney failure	<input type="checkbox"/> leukemia <input type="checkbox"/> malignant tumor <input type="checkbox"/> melanoma <input type="checkbox"/> non Hodgkin's lymphoma <input type="checkbox"/> sickle cell anemia	
15. Within the past 10 years, has any proposed insured been diagnosed as having or been treated for any of the following?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," check applicable boxes below.		
<input type="checkbox"/> chest pain <input type="checkbox"/> diabetes <input type="checkbox"/> disease or disorder of the digestive system <input type="checkbox"/> disease or disorder of the heart, blood or blood vessels <input type="checkbox"/> disease or disorder of the kidneys <input type="checkbox"/> disease or disorder of the liver <input type="checkbox"/> disease or disorder of the lungs or respiratory system	<input type="checkbox"/> disease or disorder of the musculoskeletal system <input type="checkbox"/> disease or disorder of the nervous system <input type="checkbox"/> disease or disorder of the reproductive system <input type="checkbox"/> disease or disorder of the thyroid or other gland(s) <input type="checkbox"/> high blood pressure <input type="checkbox"/> mental illness, brain disorder <input type="checkbox"/> stroke	

BACKGROUND/HEALTH QUESTIONS

YES NO

16. Within the past 24 months, has any proposed insured experienced unexplained weight or blood loss, chest pain, convulsions, dizziness, fatigue, numbness or paralysis, or been advised to have any diagnostic tests, hospitalization, treatment or surgery? ☐ ☒
17. Does any proposed insured have a pending appointment with any physician or other medical professional or have the intent to make such appointment within the next 30 days? ☐ ☒
18. Within the past 10 years, has any proposed insured received counseling or treatment for the use of alcohol or drugs, including prescription drugs, or has any proposed insured used cocaine, marijuana, heroin, controlled substances or any other drug, except as legally prescribed by a physician? ☐ ☒
19. Within the past 5 years, has any proposed insured used tobacco (cigarettes, cigars, pipe, snuff, chewing tobacco) or nicotine patches, nicotine gum or any other form of nicotine? If "Yes," provide details below. ☐ ☒

Proposed Insured Name

Type

Date of Last Use

Frequency/Amount

20. Is any proposed insured currently a patient in or been advised to enter a hospital, nursing home or assisted living facility? ☐ ☒
21. Within the past 10 years, has any proposed insured consulted a doctor or been a patient in a hospital, clinic or treatment facility? ☐ ☒
22. Within the past 5 years, has any proposed insured had a reckless driving charge, a driving while intoxicated charge, a driver's license revoked or suspended, or, within the past 3 years, had any moving traffic violations? ☐ ☒
23. Is any proposed insured NOT a citizen of the United States? If "Yes," provide details below. ☐ ☐

Proposed Insured Name

Date of Entry

Permanent Resident Card No.
(If none, provide copy of Visa or EAC)

24. Does any proposed insured intend to travel or reside outside of the United States within the next year? ☐ ☒
If "Yes," submit Foreign Travel and Residence Questionnaire.
25. Has any proposed insured ever been convicted of, pled guilty to, or pled no contest to a felony, or is any such charge pending against them? ☐ ☒
26. In the immediate family of any proposed insured, is there a history of high blood pressure, heart disease, stroke, diabetes, sickle cell anemia or cancer? ☐ ☒
27. Within the past 5 years, has any proposed insured flown as a pilot, student pilot or crew member of any aircraft, or does any proposed insured have any intention to do so in the future? ☐ ☒
28. Within the past 5 years, has any proposed insured engaged in parachuting, hang gliding, underwater diving, the racing of any motor powered land vehicle or watercraft, or other avocation generally considered hazardous or does any proposed insured have any intentions to do so in the future? ☐ ☒

Answer the following questions if Disability Income Rider is being applied for.

29. Has any proposed made claim for or received disability or Worker's Compensation benefits (other than for routine pregnancy) in the past 5 years? ☐ ☒
30. Does any proposed insured have any individual or group disability insurance in force or have any pending application with this Company or any other company? ☐ ☒
If "Yes," Insured's Name _____ Co. Name _____
Monthly Benefit Amount _____ Benefit Period _____

31. **REMARKS** (Explain "Yes" answers to Questions 12-29)

Name of Person(s)	Date	Duration	Details	Name(s) and Address(es) of Doctor(s) or Hospital(s)

OWNER'S CERTIFICATION

Under penalties of perjury, I certify that the following number, 111-22-3333, is my correct taxpayer identification number, AND

Under penalties of perjury, I certify that I am not subject to backup withholding because:

- (a) I am exempt from backup withholding, or
(b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of failure to report all interest or dividends, or
(c) the IRS has notified me that I am no longer subject to backup withholding, AND

Under penalties of perjury, I certify that I am a U.S. person (including a U.S. resident alien).

You must cross out item (b) above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends in your tax return.

X John Doe 3/21/08
Signature of Owner Date

Consent to Insurance on Life of Minor Primary Proposed Insured

I hereby consent to the insurance plan, amount and beneficiary designation shown on the application and also reaffirm the answers to the health questions as they pertain to the Minor Primary Proposed Insured.

X _____
Signature of Father, Mother or Legal Guardian Date

Consent to Insurance on Life of Minor who is Stepchild of Primary Proposed Insured

I hereby consent to the insurance plan and amount shown on this application as to any biological and adopted child(ren) of mine listed in this application. I understand that the beneficiary of such applied-for coverage on such child(ren) will be the Owner of the policy. I affirm the answers to the health questions on this application as to such child(ren).

X _____
Signature of Biological/Adoptive Parent Date

ACKNOWLEDGEMENT - AGREEMENT - AUTHORIZATION - NOTICE

I, the Primary Proposed Insured (and any Owner or Additional Proposed Insured signing below), by my signature set forth hereafter: **ACKNOWLEDGE THAT, IF A CONDITIONAL RECEIPT WAS ISSUED TO ME AS A RESULT OF THIS APPLICATION, I HAVE READ, OR WILL BE GIVEN THE OPPORTUNITY TO READ OR HAVE READ TO ME, ALL TERMS AND PROVISIONS OF SUCH CONDITIONAL RECEIPT. AGREE TO THE FOLLOWING: (A) UNDER THE CONDITIONAL RECEIPTS GIVEN TO ME AS A RESULT OF THIS APPLICATION, IF ANY, AND ANY ADDITIONAL, PENDING APPLICATION FOR OTHER LIFE, ACCIDENT AND/OR HEALTH INSURANCE COVERAGE FROM AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY ("THE COMPANY"), THE AGGREGATE LIABILITY ON ACCOUNT OF ALL COVERAGES APPLIED FOR WITH THE COMPANY WILL BE THE AMOUNT OF COVERAGE APPLIED FOR OR \$250,000.00, WHICHEVER IS LESS. (B) ANY TEMPORARY INSURANCE ARISING UNDER THE TERMS OF ANY CONDITIONAL RECEIPT GIVEN TO ME AS A RESULT OF THIS APPLICATION SHALL BECOME EFFECTIVE ONLY IF AND WHEN SUCH CONDITIONAL RECEIPT IS DELIVERED TO THE OWNER. FURTHER AGREE to the following:** (a) All statements and answers in this application are complete and true to the best of my knowledge and belief. (b) Except as stated in any Conditional Receipt, if such conditional receipt was given to me as a result of this application, the insurance shall take effect on the Policy Date shown in the policy if the first full premium has been paid within 31 days of the Policy Date. (c) No agent has authority to waive any answer or otherwise modify this application or to bind the Company in any way by making any promise or representation which is not set out in writing in this application. **AUTHORIZE:** (a) the Company to obtain an investigative consumer report on me; (b) any consumer reporting agency, employer, the Medical Information Bureau ("MIB"), and any governmental or other entity possessing non-health-related information concerning me to disclose such information to the Company, its reinsurers, and its legal representative. Any data obtained will be used by the Company to determine eligibility for insurance and will not be released by the Company to any person or organization, except to the Company's reinsurers, the MIB, other companies to whom I have applied or may apply for insurance coverage, other persons or organizations who perform business or legal services in connection with my application, and any entity to which release of such data is required by law. I know that I or my authorized representative may request to receive a copy of this Authorization. I agree that a facsimile of this Authorization shall be as valid as the original and that this Authorization shall be valid for the purpose of collecting information in connection with a claim for: (1) two and one-half years from the date shown below for the purpose of collecting information in connection with an application for insurance, (2) the term of coverage of the applied-for insurance policy, and (3) the duration of a claim for benefits. **ACKNOWLEDGE** receipt of the following notices: (a) "Notice of Information Practices" required by Public Law 91-508 and other information practices statutes; (b) MIB Pre-Notice; and (c) Investigative Consumer Report. **NOTICE: Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.**

PRIMARY PROPOSED INSURED - If an investigative consumer report is prepared in connection with this application:

☒ I elect to be interviewed. ☐ I elect NOT to be interviewed.

ADDITIONAL PROPOSED INSURED - If an investigative consumer report is prepared in connection with this application:

☐ I elect to be interviewed. ☐ I elect NOT to be interviewed.

AGENT - To the best of your knowledge, is the insurance applied for intended to replace any existing insurance? ☐ Yes (Explain) ☐ No

Signed at Little Rock AR 3/21, 2008 X John Doe
City State Date SIGNATURE OF PRIMARY PROPOSED INSURED

X _____ X _____
SIGNATURE OF ADDITIONAL INSURED SIGNATURE OF OWNER AND RELATIONSHIP
(IF INCLUDED AS A PROPOSED INSURED) (IF OTHER THAN PRIMARY PROPOSED INSURED)

X _____ X Sally Shield
SIGNATURE OF WITNESS (IF APPLICABLE) SIGNATURE OF LICENSED AGENT

AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ACTUARIAL DESCRIPTION OF FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY

Policy Form AGLA 08ALO

I. DESCRIPTION OF POLICY CHARACTERISTICS

A. Death Benefits

The policy provides adjustable life insurance coverage on the Insured. Insurance on the life of the Insured is integrated with the accumulation value of the policy. The death benefit will not be less than the accumulation value on the date of death multiplied by the death benefit percentage factors shown in the policy.

B. Cash Values

The accumulation value is an accumulation with interest of net premiums, less charges assessed at the beginning of each policy month equal to the sum of the following:

1. The cost of insurance on the net amount at risk under the policy.
2. A monthly administration fee not to exceed \$7.70 per month.
3. A monthly expense charge during the monthly expense charge duration.

The cash value is equal to the accumulation value less a surrender charge. The surrender charge declines to zero in the twentieth policy year, or at attained age 120, if earlier. The cash surrender value is equal to the cash value less any loan balance.

If the Specified Amount is increased, an additional surrender charge will be applied and a new monthly expense charge will be applied to the increase. The additional surrender charge will be determined by multiplying the number or units of the increase by the appropriate surrender charge rate per 1,000 for the Insured's age on the effective date of the increase.

On a decrease in Specified Amount, the surrender charge is decreased proportionately, and the accumulation value is charged with the amount of the decrease.

C. Continuation of Benefits (Nonforfeiture)

For any month in which no premium is received, benefits provided under the policy will be continued, and the accumulation value will continue to be determined as described in section B. above. All policy charges during such continuation period will continue to be assessed. Benefits will be so continued until the earlier of the date the policy terminates in accordance with the grace period provision, the date the policy is surrendered, the maturity date, or the date the Insured dies.

If the Cash Surrender Value in a given month is not sufficient to pay the monthly deduction and any loan interest due, the policy will enter the grace period unless the Minimum Monthly Premium Period has not expired and the following requirements are met:

- (a) The Accumulation Value less any loan balance must be sufficient to provide for the monthly deduction and any loan interest due; and
- (b) The sum of premiums paid to date must equal or exceed:
 1. The sum of the Minimum Monthly Premiums due from the date of issue; plus
 2. Any partial surrenders and surrender charges thereon, and any increase in the loan amount since the date of issue.

The Minimum Monthly Premium Period starts on the date of issue and lasts for 19 years or through attained age 119, if earlier.

Subject to the termination conditions described above, for any month in which no premium is received, benefits provided under the policy continue, and the accumulation value will continue to be determined as described in B above. Cost of insurance calculations during such continuation will utilize the same cost of insurance rates as those that would otherwise be used.

D. **Flexibility**

At any time after the first policy year, the owner may change the Specified Amount. The Specified Amount may not be decreased below the minimum permitted by Company rules. Evidence of insurability is required for any increase in the Specified Amount.

Flexible premium payments are permitted. An initial premium is payable upon delivery of the policy. Subsequent premiums may be paid at any time and in any amount, subject to company rules.

E. **Underwriting Classes**

The following premium classes are available with the policy:

Preferred Non-tobacco
Standard Non-tobacco
Preferred Tobacco
Standard Tobacco
Substandard
Standard (issue ages 0 – 19)

Policy charges and policy values will vary by premium class.

II. BASIS OF VALUES

A. **Interest**

The guaranteed minimum interest rate applied in the determination of accumulation value is 3.00% per annum. However, the company may apply a higher rate of interest to that portion of the accumulation value in excess of any outstanding policy loan indebtedness.

Because of the retrospective approach used for the calculation of the accumulation value, the use of an increased rate of interest produces a higher accumulation value. Therefore, such use is not in conflict with the maximum interest rate defined in the Standard Nonforfeiture Law.

B. **Cost of Insurance**

The guaranteed maximum cost of insurance rates applied in the determination of accumulation values for Insureds with a Standard rating class are based on the 2001 Commissioners' Standard Ordinary Mortality Table, age last birthday. Separate NAIC tables are used for Male and Female Aggregates for ages less than 20; and for Male Nonsmokers, Male Smokers, Female Nonsmokers and Female Smokers for ages greater than 19.

The guaranteed rates for substandard lives reflect appropriate additions for medical impairments and special hazards.

The company may use cost of insurance rates lower than such guaranteed maximums, thus producing lower costs of insurance and higher accumulation values than those generated by the guaranteed cost of insurance rates. A table of guaranteed cost of insurance rates is attached.

C. The same basis of values applies whether or not the policy is currently in a premium paying status.

- D. The policy provides for the determination of accumulation values on a monthly basis, using the retrospective approach described in I.B. above. The policy also provides for a cash value, applicable only upon surrender of the policy prior to the maturity date. The cash value provided is the then accumulation value less the surrender charge. The surrender charge declines to zero in the twentieth policy year, or at attained age 120, if earlier.

III. POLICY VALUE FORMULAS

The following formulas develop the guaranteed cash values for this policy form:

t	=	policy month as measured from original issue date
i	=	interest rate applied to cash value for month t. This rate is equal to the monthly equivalent of a 3.00% annual rate, or $1.03^{1/12} - 1 = 0.24663\%$.
q	=	monthly cost of insurance rate for this policy month based on the aforementioned mortality table. $q = (1 - Q_{cso})^{(-1/12)} - 1$, except for ages 111-120 (set to 83.33)
D	=	total death benefit at the beginning of month t
E	=	the monthly administration fee (\$7.70)
G	=	gross premium collected in month t
N	=	net premium in month t
	=	$0.925 \times G$
A_{t-1}	=	accumulation value on the anniversary date at the end of month t - 1
A	=	beginning accumulation value for COI calculation = $A_{t-1} + N$
C	=	monthly cost of insurance for month t, calculated as:
	=	$q \times (D / (1+i) - A)$
A_t	=	accumulation value at end of month t
	=	$(A - C - E) \times (1 + i)$
S	=	surrender charge for policy year t
	=	the per 1,000 amount shown in the contract multiplied by the number of 1,000's of Specified Amount.
CV	=	cash value at the end of policy month t.
	=	$A_t - S$

IV. Demonstration of Standard Nonforfeiture Law Compliance

This contract has charges that vary by duration. Therefore, in order to demonstrate compliance with the Standard Nonforfeiture Law (SNFL), we must demonstrate that the surrender charges are less than or equal to the unamortized unused initial expense allowances. All surrender charges for this product were calculated with a nonforfeiture interest rate of 3.0%. The unused initial expense allowance is calculated by taking the SNFL expense allowance and reducing this by any excess first year expense charge.

The formula for the SNFL expense allowance is:

$$EA = 0.01 \times ELA + 1.25 \times \text{Min} \{PNL, 0.04 \times ELA\}, \text{ where}$$

$$PNL = \text{Nonforfeiture net level premium} = \text{present value of benefits divided by present value of \$1.00 payable annually for duration of the contract.}$$

$$ELA = \text{Average amount of insurance for the first 10 policy years.}$$

The formula for the unamortized unused initial expense allowance at the end of year t is

$$UU_t = (EA - \text{excess first year expense charge}) \times (\ddot{a}_{x+t} / \ddot{a}_x)$$

The formulas above are calculated based on the 2001 CSO, Male/Female/Aggregate, Non-smoker/Smoker, Age-Last-Birthday Mortality Tables and 3% interest.

Sample Calculation: Male, age 35, Standard Non-tobacco

$$PNL = \text{Nonforfeiture net level premium} = \text{present value of benefits divided by present value of \$1.00 payable annually for duration of the contract.}$$

$$= 12.57989$$

$$EA = 0.01 \times ELA + 1.25 \times \text{Min} \{PNL, 0.04 \times ELA\}$$

$$= 0.01 \times 1,000 + 1.25 \times \text{Min} \{12.57989, 0.04 \times 1,000\}$$

$$= 10 + 1.25 \times \text{Min} \{12.57989, 40\}$$

$$= 25.72486$$

This memorandum is written assuming the monthly expense charge duration is for all years. Since the policy does not have any expense charges that vary by policy year, the excess first year charge for the policy is 0.

Therefore,

$$UU_t = (25.72486 - 0) \times (\ddot{a}_{35+t} / \ddot{a}_{35})$$

$$= 25.72486 \times (\ddot{a}_{35+t} / \ddot{a}_{35})$$

For example, in year 5,

$$UU_5 = 25.72486 \times (\ddot{a}_{40} / \ddot{a}_{35})$$

$$= 25.72486 \times (22.27753 / 23.73116)$$

$$\approx 24.15$$

A comparison of the surrender charges and the unamortized unused initial expense allowance for the sample policy is shown in the table below:

Year	Unamortized Unused Initial Expense Allowance	Surrender Charge
1	24.89	24.10
2	24.59	23.80
3	24.29	23.50
4	23.98	23.20
5	23.66	22.90
6	23.34	21.50
7	23.01	20.10
8	22.67	18.70
9	22.32	17.40
10	21.97	16.00
11	21.61	14.40
12	21.25	12.80
13	20.87	11.20
14	20.49	9.60
15	20.10	8.00
16	19.70	6.40
17	19.30	4.80
18	18.89	3.20
19	18.47	1.60

The table above shows that for the sample policy, the surrender charge in each year is less than or equal to the unamortized unused initial expense allowance. The surrender charges for years 1-5 were set slightly lower than the unamortized unused initial expense allowance. For years 6-20, the surrender charge is linearly graded to 0 by year 20. Since the unamortized unused initial expense allowance curve is concave downward, the surrender charges will not be greater than the unamortized unused initial expense allowance. Thus, the cash surrender values will never be less than the minimum nonforfeiture values.

V. RESERVES

The statutory reserves are defined by the Standard Valuation Law and by the regulations for Universal Life Insurance which interpret the Standard Valuation Law. The prescribed method for reserves is the Commissioners' Reserve Valuation Method (CRVM). Any additional reserve required for the Minimum Premium Period provision will be calculated according to Model #830 (Valuation of Life Insurance Policies Model Regulation). In no event will the total reserves be less than the cash surrender values.

The valuation interest rate will not be greater than the maximum allowed on the date of issue. In 2008, the maximum valuation interest rate is 4.00%, unless a lower rate is required in a specific state. The valuation mortality table is the appropriate 2001 CSO Male/Female/Aggregate, Smoker/Nonsmoker, Age-last-birthday table.

DEFINITION OF TERMS

PVFB = Present value of future guaranteed benefits at issue assuming the future Guaranteed Maturity Premiums are paid.

$PVFB_s$ = Present value of future guaranteed benefits at the end of policy year s . In the case where $r_s = 1$, $PVFB_s$ is less than 1, $PVFB_s$ is generated using AV_s .

AV_s = Accumulation value of policy at the end of policy year s .

GMP = Guaranteed Maturity Premium, which is the level gross premium that will mature the policy based on guarantees at issue.

GMF_s = Guaranteed Maturity Fund at the end of policy year s , which is that fund which when combined with future GMPs will mature the policy based on guarantees at issue.

ELA = Equivalent level death benefit
 $= PVFB^1 / A_x$

$$r_s = \min \left\{ \frac{AV_s}{GMF_s}; 1 \right\}$$

$$\overline{P}_{x+1} = \overline{PVFB}_1 / \overline{a}_{x+1}$$

$${}_{19}\overline{P}_{x+1} = ELA \cdot \overline{A}_{x+1} / \overline{a}_{x+1:19|}$$

$$\overline{P}_x = \overline{PVFB} / \overline{a}_x, \text{ calculated using continuous functions}$$

If $\overline{P}_{x+1} \leq {}_{19}\overline{P}_{x+1}$ then

$$\overline{B} = \overline{P}_x + (\overline{P}_{x+1} - 1000\overline{c}_x) / \overline{a}_x$$

If $\overline{P}_{x+1} > {}_{19}\overline{P}_{x+1}$ then

$$\overline{B} = \overline{P}_x + ({}_{19}\overline{P}_{x+1} - 1000\overline{c}_x) / \overline{a}_x$$

$${}_s\overline{V} = r_s (\overline{PVFB}_s - \overline{B}a_{x+s})$$

Note that if ${}_s\overline{V} < CV_s$, the cash surrender value at the end of policy year s , CV will be held as the reserve.

Sample statutory reserve calculation:

Male, age 35, Standard Non-tobacco

Assume credited interest rate = 3% and guaranteed charges.

Annual premium: \$1,474.49

Specified Amount: \$100,000

The values shown below are expressed on a per \$1,000 basis assuming a Specified Amount of \$100,000.

$$ELA = \$1,000$$

$$\overline{P}_{36} = \overline{PVFB} / \overline{a}_{36}$$

$$= 215.47513 / 20.00282$$

$$= 10.77224$$

$${}_{19}\overline{P}_{36} = 1000\overline{A}_{36} / \overline{a}_{36:19|}$$

$$= 215.47513 / 13.18688$$

$$= 16.34012$$

$$1000 \bar{c}_{35} = 1.09832$$

$$\begin{aligned}\bar{P}_{35} &= \overline{PVFB} / \bar{a}_{35} \\ &= 208.05389 / 20.19204 \\ &= 10.30376\end{aligned}$$

$$\begin{aligned}\bar{B}_{35} &= \bar{P}_{35} + (\bar{P}_{36} - 1000 \bar{c}_{35}) / \bar{a}_{35} \\ &= 10.30376 + (10.77224 - 1.09832) / 20.19204 \\ &= 10.78285\end{aligned}$$

For the sample policy, $GMF_5 = AV_5 = 60.82$. Therefore, $r_5 = 1$.

$$\begin{aligned}_5 \bar{V} &= \text{Max} \{ r_5 [\overline{PVFB}_5 - (\bar{B}_{35} \bar{a}_{40})], CV_5 \} \\ &= \text{Max} \{ 1.0 [247.80074 - (10.78285) (19.17862)], 37.92 \} \\ &= \text{Max} \{ 41.0004, 37.92 \} \\ &= 41.0004\end{aligned}$$

Martha S. Stroud
Martha S. Stroud, ASA, MAAA

April 30, 2008

American General Life and Accident Insurance Company
Form AGLA 08ALO

Guaranteed Monthly Cost of Insurance Rates Per \$1,000 of Net Amount at Risk

Age	Male Non- tobacco	Male Tobacco / Standard	Male Aggregate	Female Non- tobacco	Female Tobacco / Standard	Female Aggregate
0			0.06			0.03
1			0.03			0.02
2			0.02			0.01
3			0.02			0.01
4			0.01			0.01
5			0.01			0.01
6			0.01			0.01
7			0.01			0.01
8			0.01			0.01
9			0.01			0.01
10			0.02			0.01
11			0.02			0.02
12			0.02			0.02
13			0.03			0.02
14			0.04			0.02
15			0.05			0.03
16			0.06			0.03
17			0.07			0.03
18			0.07			0.03
19			0.08			0.03
20	0.07	0.10		0.03	0.04	
21	0.07	0.11		0.03	0.05	
22	0.07	0.11		0.04	0.05	
23	0.08	0.12		0.04	0.05	
24	0.08	0.13		0.04	0.06	
25	0.08	0.13		0.04	0.06	
26	0.08	0.14		0.04	0.07	
27	0.08	0.15		0.04	0.07	
28	0.08	0.15		0.05	0.07	
29	0.08	0.15		0.05	0.08	
30	0.08	0.15		0.05	0.08	
31	0.08	0.15		0.05	0.09	
32	0.08	0.15		0.06	0.10	
33	0.08	0.15		0.06	0.11	
34	0.08	0.16		0.07	0.12	
35	0.09	0.17		0.07	0.13	
36	0.09	0.18		0.08	0.14	
37	0.10	0.19		0.08	0.15	
38	0.11	0.20		0.09	0.16	
39	0.11	0.22		0.09	0.17	
40	0.12	0.24		0.10	0.18	
41	0.13	0.26		0.10	0.19	
42	0.15	0.29		0.11	0.21	
43	0.16	0.32		0.12	0.22	
44	0.18	0.36		0.13	0.24	
45	0.20	0.39		0.14	0.27	
46	0.22	0.43		0.16	0.30	
47	0.23	0.46		0.18	0.33	
48	0.25	0.49		0.20	0.37	
49	0.26	0.52		0.22	0.42	
50	0.28	0.56		0.24	0.47	
51	0.31	0.61		0.27	0.53	
52	0.34	0.67		0.30	0.59	
53	0.38	0.74		0.33	0.65	
54	0.43	0.83		0.37	0.72	
55	0.48	0.93		0.41	0.79	
56	0.54	1.03		0.45	0.87	
57	0.59	1.12		0.49	0.95	
58	0.64	1.21		0.54	1.03	
59	0.71	1.31		0.59	1.12	

Age	Male Non- tobacco	Male Tobacco / Standard	Female Non- tobacco	Female Tobacco / Standard
60	0.78	1.43	0.64	1.21
61	0.88	1.59	0.7	1.31
62	0.99	1.77	0.75	1.42
63	1.11	1.96	0.82	1.53
64	1.23	2.15	0.89	1.65
65	1.36	2.34	0.96	1.77
66	1.49	2.52	1.04	1.91
67	1.63	2.7	1.14	2.07
68	1.77	2.89	1.24	2.23
69	1.94	3.1	1.35	2.42
70	2.13	3.34	1.48	2.63
71	2.36	3.64	1.62	2.87
72	2.64	3.98	1.78	3.13
73	2.93	4.33	1.95	3.41
74	3.24	4.71	2.15	3.71
75	3.58	5.14	2.36	4.02
76	3.97	5.61	2.59	4.36
77	4.42	6.16	2.85	4.73
78	4.95	6.80	3.13	5.13
79	5.55	7.51	3.45	5.56
80	6.22	8.29	3.83	6.10
81	6.95	9.13	4.32	6.76
82	7.74	10.00	4.83	7.46
83	8.61	10.94	5.37	8.17
84	9.59	12.02	5.98	8.92
85	10.69	13.26	6.60	9.62
86	11.92	14.63	7.34	10.44
87	13.27	16.11	8.27	11.46
88	14.74	17.68	9.26	12.50
89	16.30	19.33	10.26	13.47
90	17.89	20.96	11.00	14.02
91	19.49	22.54	11.71	14.48
92	21.20	24.20	12.92	15.47
93	23.05	25.96	14.57	16.90
94	25.04	27.87	16.69	18.94
95	27.06	29.84	19.06	21.42
96	29.09	31.77	21.47	23.86
97	31.31	33.84	23.07	25.34
98	33.74	36.10	23.95	25.94
99	36.43	38.54	25.82	27.58
100	39.08	40.90	28.31	29.86
101	41.51	42.98	31.12	32.39
102	44.17	45.22	34.32	35.24
103	47.11	47.64	37.98	38.43
104	50.33	50.49	42.17	42.28
105	53.86	54.03	46.84	46.95
106	57.80	57.96	51.93	52.04
107	62.19	62.35	57.45	57.56
108	67.12	67.27	63.47	63.58
109	72.70	72.85	70.20	70.31
110	79.04	79.19	77.55	77.66
111	83.33	83.33	83.33	83.33
112	83.33	83.33	83.33	83.33
113	83.33	83.33	83.33	83.33
114	83.33	83.33	83.33	83.33
115	83.33	83.33	83.33	83.33
116	83.33	83.33	83.33	83.33
117	83.33	83.33	83.33	83.33
118	83.33	83.33	83.33	83.33
119	83.33	83.33	83.33	83.33

Statement of Variability
Description Of Bracketed Items On The Policy Schedule
Policy Form 08ALO

BRACKETED ITEM ON POLICY SCHEDULE	DESCRIPTION OF BRACKETED ITEM
BASIC POLICY Flexible Premium Adjustable Life Insurance Years Payable [86]	The number of years that a monthly cost of insurance is due under the basic policy. This is equal to 121 minus the age on the date of issue.
Premium Class - [Standard – Non Tobacco]	This field displays the Insured's s premium class. The possible values for this field are: Standard Preferred – No Tobacco Standard – No Tobacco Preferred – Tobacco Standard – Tobacco Rated – No Tobacco Rated - Tobacco
Initial Premium - [\$351.96]	This field displays the premium paid on the date of issue.
Planned Periodic Premium - [\$351.96]	This field displays the periodic premium indicated in the application.
Due Date (for Planned Periodic Premium) - [1st Day of Each April]	This field displays the due date for each periodic premium based on the premium mode selected in the application.
Deduction Day - [1st] Day of Each Month	This field displays the date on which the Monthly Deduction is deducted from the Accumulation Value. Day shown is the same as the day of the month that the policy is issued.
Minimum Monthly Premium - [\$29.33]	This field displays the Minimum Monthly Premium for the policy. This amount varies based on the Insured's issue age, gender, and premium class.
Minimum Monthly Premium Period - [19] Years	This field displays the number of years that a Minimum Monthly Premium provision of the policy is in effect. This is calculated as the lesser of 19 or 120 less the insured's age at issue.
Premium Expense Charge Percentage – Initial [7.50%]	This field is the initial value for the premium expense charge percentage. Minimum value is 0%; maximum value is 7.50%.
Monthly Administration Fee – Initial [\$7.70]	This field is the initial value for the monthly administration fee. Minimum value is \$0.00; maximum value is \$7.70.
Monthly Expense Charge - [\$4.00]	This field shows the initial value for the monthly expense charge which is equal to the number of units times the monthly expense charge per thousand. The minimum value of the monthly expense charge per thousand is \$0.00, the maximum value of the monthly expense charge per thousand is \$4.00.
Monthly Expense Charge Duration - [To Maturity Date]	This field is the length of time the monthly expense charge is applicable. Minimum value is 0 years, maximum value is policy's maturity date.
Minimum Specified Amount - [\$25,000]	This field shows the minimum specified amount that must remain in force following a decrease in specified amount requested by the owner. Minimum value is \$0; maximum value is \$50,000.
Surrender Charge Period - [19] Years	This is the number of years that any surrender or decrease in specified amount is subject to a surrender charge. This is calculated as the lesser of 19 or 120 less the insured's age at issue.
Table of Surrender Charges per \$1,000 of Initial Specified Amount	This table varies based on the insured's issue age, gender, and premium class. The possible values are provided in the actuarial memorandum for the form.
Maturity Date - [April 1, 2094]	This is the date that the policy matures. This is set to the first policy anniversary on or after the insured's 121 st birthday.

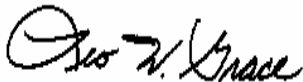
AMERICAN GENERAL LIFE AND ACCIDENT INSURANCE COMPANY

ARKANSAS CERTIFICATION

Subject: AGLA 08ALO Flexible Premium Adjustable Life Insurance Policy

I certify, as an officer and qualified actuary of American General Life and Accident Insurance Company, that I have reviewed Rule and Regulation 34 and that, to the best of my knowledge and belief, the subject policy form AGLA 08ALO and its supporting actuarial material comply with Rule and Regulation 34.

I further certify that the reserves shall not be less than the actual Cash Values provided for under policy form AGLA 08ALO.



Leo W. Grace
Vice President

DATE: May 5, 2008